

fluid or any other material containing more than 2 percent alcohol by volume.

(26 U.S.C. 5504)

REQUIRED RECORDS FOR VINEGAR PLANTS

§ 19.650 Daily records.

Each manufacturer of vinegar by the vaporizing process must keep accurate and complete daily records of production operations. It is not necessary to create records to satisfy this requirement if the records kept by the manufacturer in the ordinary course of business contain all required information. The required information consists of the following:

- (a) The kind and quantity of fermenting or distilling materials received on the premises;
- (b) The kind and quantity of materials fermented or mashed;
- (c) The proof gallons of distilled spirits produced;
- (d) The proof gallons of distilled spirits used in the manufacture of vinegar;
- (e) The wine gallons of vinegar produced; and
- (f) The wine gallons of vinegar removed from the premises.

(26 U.S.C. 5504)

LIABILITY FOR DISTILLED SPIRITS TAX

§ 19.651 Liability for distilled spirits tax.

The distilled spirits excise tax imposed by 26 U.S.C. 5001 must be paid on any distilled spirits produced in, or removed from, the premises of a vinegar plant in violation of law or regulations.

(26 U.S.C. 5505)

Subpart X—Distilled Spirits for Fuel Use

§ 19.661 Scope.

This subpart covers the establishment and operation of alcohol fuel plants.

(26 U.S.C. 5181)

GENERAL

§ 19.662 Definitions.

As used in this subpart, the following terms have the meanings indicated.

Alcohol fuel plant. A special type of distilled spirits plant authorized under 26 U.S.C. 5181 and established under this subpart solely for producing, processing, and storing, and using or distributing distilled spirits to be used exclusively for fuel use.

Bonded premises. The premises of an alcohol fuel plant where distilled spirits are produced, processed, and stored, and used or distributed as described in the application for alcohol fuel producer permit. The term includes the premises of small alcohol fuel plants exempt from bonding requirements under § 19.673(e).

Fuel alcohol. Distilled spirits that have been made unfit for beverage use at an alcohol fuel plant as provided in this subpart.

Large plant. An alcohol fuel plant that produces (including receives) more than 500,000 proof gallons of spirits per calendar year.

Make unfit for beverage use. Add materials to distilled spirits that will preclude their beverage use without impairing their quality for fuel use as prescribed and authorized by the provisions of this subpart.

Medium plant. An alcohol fuel plant that produces (including receives) more than 10,000 but not more than 500,000 proof gallons of spirits per calendar year.

Permit. The document issued pursuant to 26 U.S.C. 5181 and this subpart authorizing the person named to engage in business as an alcohol fuel plant.

Plant. An alcohol fuel plant.

Proprietor. The person qualified under this subpart to operate an alcohol fuel plant.

Small plant. An alcohol fuel plant that produces (including receives) not more than 10,000 proof gallons of spirits per calendar year.

Spirits or distilled spirits. The substance known as ethyl alcohol, ethanol, or spirits of wine in any form (including all dilutions and mixtures thereof, from whatever source or by whatever process produced), but not fuel alcohol unless specifically stated. The term does not include spirits produced from petroleum, natural gas, or coal.